The Financial Express

Dhaka, Fri, 28 April 2017

LafargeHolcim Bangladesh Limited

A company of LafargeHolcim and Molins

1st Quarter Consolidated Financial Statements-2017 (Un-audited)

Pursuant to the requirement of Regulations 17(1) of the Listing Regulations 2015 of Dhaka and Chittagong Stock Exchange Limited and Complying with Notification No. SEC/CMRRCD/2008-183/Admin/03-34 dated September 27, 2009 and Letter No. SEC/CFD/Misc./233/2004/615 dated February 02, 2010 of Bangladesh Securities and Exchange Commission. The details of the published quarterly financial statements are available in the web-site of the Company. The address of the web-site is: www.lafarge-bd.com

LAFARGEHOLCIM BANGLADESH LIMITED
(Formerly known as Lafarge Surma Cement Limited)
Consolidated Statement of Financial Position (Un-audited)
at 31 March 2017

ASSETS	NOTE	31 March 2017 Taka'000	31 Dec 2016 Taka'000
NON-CURRENT ASSETS			
Property, plant and equipment	5	11,741,330	11,776,095
Intangible assets	6	861,157	828,230
Other receivables	9	145,062	137,043
		12,747,549	12,741,368
CURRENT ASSETS			
Inventories	7	1,439,735	1,245,198
Trade receivables	8	1,408,432	1,361677
Other receivables	9	1,958,470	1,933,076
Derivative instruments		12,111	838
Cash and cash equivalents	10	3,524,542	3,697,428
		8,343,290	8,238,217
TOTAL ASSETS		21,090,839	20,979,585
EQUITY & LIABILITIES			
Share capital		11,613,735	11,613,735
Retained earnings		3,797,897	3,488,351
Other components of equity		(80,293)	(82,748)
Foreign currency translation		460,400	353,123
SHAREHOLDERS' EQUITY- PARENT COMPANY		15,791,739	15,372,461
Non-controlling interests		5	(23)
EQUITY		15,791,744	15,372,438
NON-CURRENT LIABILITIES			
Deferred tax liability	11	2,278,784	2,276,021
Employee benefits		75,933	64,464
Provisions	12	32,731	30,147
		2,387,448	2,370,672
CURRENT LIABILITIES			
Trade payables	13	2,200,818	2,332,586
Other payables	14	250,824	378,489
Derivative instruments		-	1,103
Short-term debt	15	460,005	524,297
		2,911,647	3,236,475
TOTAL EQUITY AND LIABILITIES		21,090,839	20,979,585

The accompanying Notes 1 to 26 form an integral part of these financial statements.

Company Secretary | Chief Financial Officer | Director | Chief Executive Officer | Chairman

LAFARGEHOLCIM BANGLADESH LIMITED
(Formerly known as Lafarge Surma Cement Limited)
Consolidated Statement of Profit or Loss (Un-audited)
for the period ended 31 March 2017

	NOTES	Jan-Mar 2017 Taka '000	Jan-Mar 2016 Taka '000
REVENUE	17	2,435,027	2,576,922
Cost of sales	18	(1,746,801)	(1,699,388)
GROSS PROFIT		688,226	877,534
General and administrative expenses	19	(183,250)	(176,307)
Sales and marketing expenses	20	(47,433)	(31,288)
Other operating income		1,064	265
OPERATING PROFIT		458,607	670,204
Finance cost	21	(10,674)	(35,628)
Finance income	21	40,421	33,582
PROFIT BEFORE TAX		488,354	668,158
Income tax	22	(178,808)	(174,295)
PROFIT FOR THE PERIOD		309,546	493,863
Basic earnings per share (Taka)	23	0.27	0.43

The accompanying Notes 1 to 26 form an integral part of these financial statements

Company Secretary | Chief Financial Officer | Director | Chief Executive Officer | Chairman

LAFARGEHOLCIM BANGLADESH LIMITED
(Formerly known as Lafarge Surma Cement Limited)
Consolidated Statement of Comprehensive Income (Un-audited)
for the period ended 31 March, 2017

	Jan-Mar 2017 Taka'000	Jan-Mar 2016 Taka'000
PROFIT FOR THE PERIOD	309,546	493,863
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges	2,455	6,419
Exchange differences on translating foreign operation	107,277	1,521
Non-controlling interest - currency translation adjustment	28	(1)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD	109,760	7,939
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	419,306	501,802
Attributable to:		
Owners of the parent Company	419,278	501,803
Non-controlling interests	28	(1)
	419,306	501,802

Company Secretary | Chief Financial Officer | Director | Chief Executive Officer | Chairman

LAFARGEHOLCIM BANGLADESH LIMITED
(Formerly known as Lafarge Surma Cement Limited)
Consolidated Statement of Cash Flows (Un-audited)
for the period ended 31 March 2017

	Jan-Mar 2017 Taka'000	Jan-Mar 2016 Taka'000
Cash Flows From Operating Activities		
Cash receipts from customers	2,130,456	2,420,492
Cash paid to suppliers and employees	(2,110,300)	(1,858,957)
Cash generated in operations	20,156	561,535
Income taxes paid	(77,291)	(131,165)
Other receipts	1,057	365
Net cash generated by operating activities	(56,076)	450,735
Cash Flows From Investing Activities		
Payments for property, plant and equipment	(65,706)	(40,110)
Proceeds from sale of property, plant and equipment	54	-
Interest income on bank deposits	29,018	34,140
Net cash used in investing activities	(36,634)	(5,970)
Cash Flows From Financing Activities		
Increase (Decrease) in short term debt	(71,635)	(38,527)
Payment of interest and other finance costs	(9,882)	(19,931)
Dividend payment	(4,523)	(504)
Net cash used in financing activities	(86,040)	(58,962)
Net effect of foreign currency translation on cash and cash equivalents	5,864	(1,478)
Net increase in cash and cash equivalents	(172,886)	384,325
Cash and Cash Equivalents at Beginning of the Period	3,697,428	3,249,844
Cash and Cash Equivalents at End of the Period	3,524,542	3,634,169

Company Secretary | Chief Financial Officer | Director | Chief Executive Officer | Chairman

LAFARGEHOLCIM BANGLADESH LIMITED
(Formerly known as Lafarge Surma Cement Limited)
Consolidated Statement of Changes in Equity (Un-audited)
for the period ended 31 March 2017

(All figures are in Tk. '000)

	Share capital	Retained earnings	Other components of equity	Foreign currency translation	Equity for parent company	Non controlling interests	Total equity
Balance at 1 January 2016	11,613,735	2,423,190	(52,995)	377,530	14,361,460	39	14,361,499
Total comprehensive income for the period		493,863	6,419	1,521	501,803	(1)	501,802
Balance at 31 March 2016	11,613,735	2,917,053	(46,576)	379,051	14,863,263	38	14,863,301
Balance at 1 January 2017	11,613,735	3,488,351	(82,748)	353,123	15,372,461	(23)	15,372,438
Total comprehensive income for the period	-	309,546	2,455	107,277	419,278	28	419,306
Balance at 31 March 2017	11,613,735	3,797,897	(80,293)	460,400	15,791,739	5	15,791,744

Company Secretary | Chief Financial Officer | Director | Chief Executive Officer | Chairman

LAFARGEHOLCIM BANGLADESH LIMITED
(Formerly known as Lafarge Surma Cement Limited)
Notes to the Condensed Consolidated Financial Statements (Un-audited)
for the period ended 31 March 2017

1 Background and Introduction
Formation and legal status

LafargeHolcim Bangladesh Limited (LHBL) - (hereinafter referred to as "the Company") was incorporated on 11 November 1997 as a private limited company in Bangladesh under the Companies Act 1994 having its registered office in Dhaka. At the time of incorporation the name of the Company was "Lafarge Surma Cement Limited". On 07 February 2017 the Registrar of Joint Stock Companies and Firms of Bangladesh (RJSC) approved the name change to "LafargeHolcim Bangladesh Limited" of the Company. The Company has subsequently been converted into a public limited company on 20 January 2003 and went for Initial Public Offering of shares in November 2003 which was fully subscribed and issued. The shares have since been listed and are being traded in Dhaka and Chittagong Stock Exchanges. Presently the Company has two subsidiaries in India. The main objectives of the subsidiaries are to support the holding company. A brief description of each of the subsidiary is given below:

Lum Mawshun Minerals Private Limited (LMMPL) - incorporated under the Indian Companies Act 1956 on 17 November 1994 as a private limited company with its registered office at Shillong in the State of Meghalaya, India.

Lafarge Umiam Mining Private Limited (LUMPL) - incorporated under the Indian Companies Act 1956 on 22 March 1999 as a private limited company with its registered office at Shillong in the State of Meghalaya, India.

2 Nature of Business

The Company has established the country's only modern, integrated and state-of-the art cement manufacturing plant at Chhatak under Sunamganj district. The company extracts and processes the basic raw materials limestone from its own quarry in Meghalaya. A 17-kilo metre cross-border belt conveyor links the quarry with the cement plant for transportation of raw materials.

The company is engaged in manufacturing and marketing of cement and clinker in the local market.

3 Basis of preparation

The consolidated Interim financial statements have been prepared in accordance with Bangladesh Accounting Standard 34 Interim Financial Reporting.

4 Significant Accounting Policies

The financial statements have been prepared under the historical cost convention, except for the following:

i) derivative financial instruments measured at fair value;
ii) financial instruments at fair value through profit and loss measured at fair value.

The same accounting policies, presentation and methods of computation have been followed in these interim financial statements as were applied in the preparation of the Company's financial statements for the year ended 31 December 2016.

		31 Mar 2017 Taka'000	31 Dec 2016 Taka'000
5	**Property, Plant and Equipment**		
	COST		
	At January 1	17,315,000	16,817,164
	Reclassification	-	(12,678)
	Additions	33,910	585,103
	Disposals	(146)	(38,841)
	Translation adjustment	110,473	(35,748)
	At March 31-December 31	17,459,237	17,315,000
	DEPRECIATION		
	At January	5,538,905	4,979,667
	Disposals	-	(12,163)
	Change for the period	145,408	581,888
	Translation adjustment	33,594	(10,487)
	At March 31/December 31	5,717,907	5,538,905
	CARRYING AMOUNT	11,741,330	11,776,095
6	**Intangible Assets**		
	COST		
	At January 1	1,140,128	1,129,622
	Reclassification	-	12,678
	Additions	-	18,451
	Disposals	-	-
	Translation adjustment	60,365	(20,623)
	At March 31/December 31	1,200,493	1,140,128
	AMORTIZATION		
	At January	311,898	267,536
	Change for the period	13,314	48,601
	Translation adjustment	14,124	(4,239)
	At March 31/December 31	339,336	311,898
	CARRYING AMOUNT	861,157	828,230
7	**Inventories**		
	Raw materials	279,042	209,410
	Spare parts	928,156	878,015
	Packing materials	3,860	3,148
	Other materials	73,689	50,508
	Finished goods and work in process	154,988	104,117
		1,439,735	1,245,198
8	**Trade Receivables**		
	Trade receivables	1,419,572	1,373,631
	Valuation allowance	(11,140)	(11,954)
		1,408,432	1,361,677
9	**Other Receivables**		
	Contractors, consultants, suppliers and others	385,787	301,943
	Employees	50,130	59,207
	Prepaid expenses	126,356	80,487
	VAT current account	242,981	238,810
	Advance income tax- net of tax provision	1,245,129	1,342,808
	Other receivables	28,610	25,947
	Accrued interest	24,539	20,917
		2,103,532	2,070,119
	Current portion	1,958,470	1,933,076
	Non-current portion	145,062	137,043
10	**Cash and Cash Equivalents**		
	Cash in hand	692	497
	Cash at banks	3,523,850	3,696,931
		3,524,542	3,697,428
11	**Deferred Tax Liabilities**		
	The tax effects of temporary differences that resulted in deferred tax liabilities and assets.		
	Deferred tax liabilities		
	Property, plant and equipment	2,302,645	2,304,282
		2,683	1,434
		2,305,328	2,305,716
	Deferred tax assets		
	Provision for gratuity	15,295	25,518
	Provision for doubtful debts	11,140	2,988
	Other components of equity	109	1,189
		26,544	29,695
	Net deferred tax liabilities	2,278,784	2,276,021
12	**Provisions**		
	Site restoration provisions		
	Balance at 1 January	30,187	27,787
	Provision for the period	750	2,968
	Translation adjustment	1,794	(568)
		32,731	30,187
	At March 31/December 31		

The Company is legally required to restore a quarry site, the estimated costs of site restoration are accrued and recognized to the cost of sales, on the basis of mines closure plan submitted to Indian Bureau of Mines (IBM).

		31 Mar 2017 Taka'000	31 Dec 2016 Taka'000
13	**Trade Payables**		
	Payable for goods & services	1,688,025	1,605,957
	General assistance fee (Note- 13.1)	225,348	203,359
	Trademark license fee (Note- 13.2)	225,348	203,359
	Advances paid by customers	62,097	319,911
		2,200,818	2,332,586

13.1 General assistance fee
The amount is payable to Lafarge S.A. and Cementos Molins for general assistance fee (1 percent of annual net turnover of the company in accordance with the General Assistance Agreement).

13.2 Trademark license fee
The amount is equally payable to Lafarge S.A. and Cementos Molins for trademark license fee (1 percent of annual net turnover of the company in accordance with the Trademark License Agreement).

		31 Mar 2017 Taka'000	31 Dec 2016 Taka'000
14	**Other Payables**		
	Payables to supplier of property, plant & equipment	43,131	69,147
	Payable to employees	87,764	170,998
	Income tax & VAT deducted at source	82,783	96,675
	Dividend payable	37,146	41,669
		250,824	378,489
15	**Short Term Debt**		
	Bank overdraft facilities	38,525	55,800
	Short term credit facilities	421,480	468,497
		460,005	524,297
16	**Current Tax Liabilities**		
	Balance at 1 January	1,051,004	304,624
	Provision for the period	190,152	747,876
	Translation adjustment	14,489	(1,496)
	At March 31/December 31	1,255,645	1,051,004
		Jan-Mar, 2017	Jan-Mar, 2016
17	**Revenue**		
	Sale of gray cement	2,205,966	2,521,298
	Sale of cement clinker	229,061	55,624
		2,435,027	2,576,922
18	**Cost of Sales**		
	Manufacturing variable cost	1,006,004	920,468
	Manufacturing fixed cost	333,994	329,729
	Freight cost to customers	139,581	95,765
	Depot operating and transportation costs	212,940	215,171
	Inventory movement	(95,682)	(18,234)
	Depreciation and amortization	149,964	156,489
		1,746,801	1,699,388
19	**General and Administrative Expenses**		
	Salary, allowances and benefits	55,040	52,534
	General assistance fee	21,989	24,387
	Trademark license fee	21,989	24,387
	Computer expenses	11,352	10,203
	Other office expenses	49,997	29,326
	Administrative depreciation and amortization	8,758	8,879
	Contribution to Workers' Profit Participation and welfare Fund	14,125	26,591
		183,250	176,307
20	**Sales and Marketing Expenses**		
	Salary, allowances and benefits	32,317	18,230
	Advertisement	7,483	5,239
	Other office expenses	7,633	7,819
		47,433	31,288
21	**Finance Costs and Income**		
	Interest on short term debt	5,525	8,945
	Other finance costs	1,363	4,882
	Bank charges and commission	3,786	3,736
	Exchange loss	-	18,065
	Finance costs	10,674	35,628
	Interest income on Bank Deposits	29,157	30,015
	Other finance income	3,315	3,567
	Exchange gain	7,949	-
	Finance income	40,421	33,582
	Net finance (income)/costs	(29,747)	2,046
22	**Income Tax**		
	Current income tax expenses	190,152	153,024
	Deferred income tax	(11,344)	21,271
		178,808	174,295

23 Earnings Per Share
The computation of basic earnings per share for the periods ended 2017 and 2016 are as follows:

NUMERATOR	(Thousand Taka)		
INCOME FOR THE PERIOD-ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY		309,546	493,863
DENOMINATOR	(Thousands of Shares)		
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING		1,161,374	1,161,374
BASIC EARNINGS PER SHARE	Taka	0.27	1.43
DILUTED EARNINGS PER SHARE	Taka	0.27	1.43

24 Related Party Transactions
Except for the regular transactions, there were no significant related party transactions during the period.

25 Commitments and Contingencies
There were no significant changes in the commitments and contingencies made by the Company during the period.

26 Comparative Information of the Shareholders*

	Jan-Mar 2017 Taka	Jan-Mar 2016 Taka
Net Asset Value (NAV) Per Share	13.60	12.80
Earning Per Share (EPS)	0.27	0.43
Net Operating Cash Flow Per Share (NOCFPS)	(0.05)	0.39
Profit for the period	309,546,000	493,863,000

*For the quarter January to March 2017, EPS declined compared to the previous quarter, the major reason being decline in sales revenue. Sales volumes declined mainly due to excess stock held at channel level and the low demand in our home market arising out of fall in remittances. On the price front, cement prices declined owing to sustained pressure from grinder to push volumes and gain market shares. NOCFPS also declined mainly due to decline in EPS and also the increase in receivables mainly brought about by low collections against the stocks being held at channel level.

Company Secretary | Chief Financial Officer | Director | Chief Executive Officer | Chairman

বণিক বার্তা beta
সমৃদ্ধির সহযাত্রী
ঢাকা, শুক্রবার | এপ্রিল ২৮, ২০১৭, ১৫ বৈশাখ ১৪২৪

LafargeHolcim Bangladesh Limited

A company of LafargeHolcim and Molins

1st Quarter Consolidated Financial Statements-2017 (Un-audited)

Pursuant to the requirement of Regulations 17(1) of the Listing Regulations 2015 of Dhaka and Chittagong Stock Exchange Limited and Complying with Notification No. SEC/CMRROD/2008-180/Admin/03-34 dated September 27, 2009 and Letter No. SEC/CFD/Misc/233/2004/615 dated February 02, 2010 of Bangladesh Securities and Exchange Commission. The details of the published quarterly financial statements are available in the web-site of the Company. The address of the web-site is, www.lafarge-bd.com

LAFARGEHOLCIM BANGLADESH LIMITED
(Formerly known as Lafarge Surma Cement Limited)
Consolidated Statement of Financial Position (Un-audited)
at 31 March 2017

ASSETS	NOTE	31 March 2017 Taka'000	31 Dec 2016 Taka'000
NON-CURRENT ASSETS			
Property, plant and equipment	5	11,741,330	11,776,095
Intangible assets	6	861,157	828,230
Other receivables	9	145,062	137,043
		12,747,549	12,741,368
CURRENT ASSETS			
Inventories	7	1,439,735	1,245,198
Trade receivables	8	1,408,432	1,361677
Other receivables	9	1,958,470	1,933,076
Derivative instruments		12,111	838
Cash and cash equivalents	10	3,524,542	3,697,428
		8,343,290	8,238,217
TOTAL ASSETS		21,090,839	20,979,585
EQUITY & LIABILITIES			
Share capital		11,613,735	11,613,735
Retained earnings		3,797,897	3,488,351
Other components of equity		(80,293)	(82,748)
Foreign currency translation		460,400	353,123
SHAREHOLDERS' EQUITY- PARENT COMPANY		15,791,739	15,372,461
Non-controlling interests		5	(23)
EQUITY		15,791,744	15,372,438
NON-CURRENT LIABILITIES			
Deferred tax liability	11	2,278,784	2,276,021
Employee benefits		75,933	64,464
Provisions	12	32,731	30,147
		2,387,448	2,370,672
CURRENT LIABILITIES			
Trade payables	13	2,200,818	2,332,586
Other payables	14	250,824	378,489
Derivative instruments		-	1,103
Short-term debt	15	460,005	524,297
		2,911,647	3,236,475
TOTAL EQUITY AND LIABILITIES		21,090,839	20,979,585

The accompanying Notes 1 to 26 form an integral part of these financial statements.

Company Secretary | Chief Financial Officer | Director | Chief Executive Officer | Chairman

LAFARGEHOLCIM BANGLADESH LIMITED
(Formerly known as Lafarge Surma Cement Limited)
Consolidated Statement of Comprehensive Income (Un-audited)
for the period ended 31 March, 2017

	Jan-Mar 2017 Taka'000	Jan-Mar 2016 Taka'000
PROFIT FOR THE PERIOD	309,546	493,863
Items that may be reclassified subsequently to profit or loss		
Cash flow hedge reserve	2,455	6,419
Exchange differences on translating foreign operation	107,277	1,521
[illegible]	28	(1)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD	109,760	7,939
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		
	419,306	501,802
Attributable to:		
Owners of the parent Company	419,278	501,803
Non-controlling interest	28	(1)
	419,306	501,802

Company Secretary | Chief Financial Officer | Director | Chief Executive Officer | Chairman

LAFARGEHOLCIM BANGLADESH LIMITED
(Formerly known as Lafarge Surma Cement Limited)
Consolidated Statement of Profit or Loss (Un-audited)
for the period ended 31 March 2017

	NOTES	Jan-Mar 2017 Taka '000	Jan-Mar 2016 Taka '000
REVENUE	17	2,435,027	2,576,922
Cost of sales	18	(1,746,801)	(1,699,388)
GROSS PROFIT		688,226	877,534
General and administrative expenses	19	(183,250)	(176,307)
Sales and marketing expenses	20	(47,433)	(31,288)
Other operating income		1,064	265
OPERATING PROFIT		458,607	670,204
Finance cost	21	(10,674)	(35,628)
Finance income	21	40,421	33,582
PROFIT BEFORE TAX		488,354	668,158
Income tax	22	(178,808)	(174,295)
PROFIT FOR THE PERIOD		309,546	493,863
Basic earnings per share (Taka)	23	0.27	0.43

The accompanying Notes 1 to 26 form an integral part of these financial statements.

Company Secretary | Chief Financial Officer | Director | Chief Executive Officer | Chairman

LAFARGEHOLCIM BANGLADESH LIMITED
(Formerly known as Lafarge Surma Cement Limited)
Consolidated Statement of Cash Flows (Un-audited)
for the period ended 31 March 2017

	Jan-Mar 2017 Taka'000	Jan-Mar 2016 Taka'000
Cash Flows From Operating Activities		
Cash receipts from customers	2,130,458	2,580,592
Cash paid to suppliers and employees	(2,110,300)	(1,999,057)
Cash generated in operations	20,158	581,535
Income taxes paid	(77,291)	(131,065)
Other receipts	1,057	265
Net cash generated by operating activities	(56,076)	450,735
Cash Flows From Investing Activities		
Payments for property, plant and equipment	(65,706)	(40,110)
Proceeds from sale of property, plant and equipment	54	-
Interest income on bank deposits	29,018	34,140
Net cash used in investing activities	(36,634)	(5,970)
Cash Flows From Financing Activities		
Increase (Decrease) in short term debt	(71,635)	(38,527)
Payment of interest and other finance costs	(9,882)	(19,931)
Dividend payment	(4,523)	(504)
Net cash used in financing activities	(86,040)	(58,962)
Net effect of foreign currency translation on cash and cash equivalents	5,864	(1,478)
Net increase in cash and cash equivalents	(172,886)	384,325
Cash and Cash Equivalents at Beginning of the Period	3,697,428	3,249,844
Cash and Cash Equivalents at End of the Period	3,524,542	3,634,169

Company Secretary | Chief Financial Officer | Director | Chief Executive Officer | Chairman

LAFARGEHOLCIM BANGLADESH LIMITED
(Formerly known as Lafarge Surma Cement Limited)
Consolidated Statement of Changes in Equity (Un-audited)
for the period ended 31 March 2017

(All figures are in Tk. '000)

	Share capital	Retained earnings	Other components of equity	Foreign currency translation	Equity for parent company	Non controlling interests	Total equity
Balance at 1 January 2016	11,613,735	2,423,190	(52,995)	377,530	14,361,460	39	14,361,499
Total comprehensive income for the period		493,863	6,419	1,521	501,803	(1)	501,802
Balance at 31 March 2016	11,613,735	2,917,053	(46,576)	379,051	14,863,263	38	14,863,301
Balance at 1 January 2017	11,613,735	3,488,351	(82,748)	353,123	15,372,461	(23)	15,372,438
Total comprehensive income for the period	-	309,546	2,455	107,277	419,278	28	419,306
Balance at 31 March 2017	11,613,735	3,797,897	(80,293)	460,400	15,791,739	5	15,791,744

Company Secretary | Chief Financial Officer | Director | Chief Executive Officer | Chairman

LAFARGEHOLCIM BANGLADESH LIMITED
(Formerly known as Lafarge Surma Cement Limited)
Notes to the Condensed Consolidated Financial Statements (Un-audited)
for the period ended 31 March 2017

1 Background and Introduction

Formation and legal status

LafargeHolcim Bangladesh Limited (LHBL) - (hereinafter referred to as "the Company") was incorporated on 11 November 1997 as a private limited company in Bangladesh under the Companies Act 1994 having its registered office in Dhaka. At the time of incorporation the name of the Company was "Lafarge Surma Cement Limited". On 07 February 2017 the Registrar of Joint Stock Companies and Firms of Bangladesh (RJSC) approved the name change to "LafargeHolcim Bangladesh Limited" of the Company. The Company has subsequently been converted into a public limited company on 20 January 2003 and went for Initial Public Offering of shares in November 2003 which was fully subscribed and issued. The shares have since been listed and are being traded in Dhaka and Chittagong Stock Exchanges. Presently the Company has two subsidiaries in India. The main objectives of the subsidiaries are to support the holding company. A brief description of each of the subsidiary is given below;

Lum Mawshun Minerals Private Limited (LMMPL) - incorporated under the Indian Companies Act 1956 on 17 November 1994 as a private limited company with its registered office at Shillong in the State of Meghalaya, India.

Lafarge Umiam Mining Private Limited (LUMPL) - incorporated under the Indian Companies Act 1956 on 22 March 1999 as a private limited company with its registered office at Shillong in the State of Meghalaya, India.

2 Nature of Business

The Company has established the country's only modern, integrated and state-of-the art cement manufacturing plant at Chhatak under Sunamganj district. The company extracts and processes the basic raw materials limestone from its own quarry in Meghalaya. A 17-kilo metre cross-border belt conveyor links the quarry with the cement plant for transportation of raw materials.
The company is engaged in manufacturing and marketing of cement and clinker in the local market.

3 Basis of preparation

The consolidated interim financial statements have been prepared in accordance with Bangladesh Accounting Standard 34 Interim Financial Reporting.

4 Significant Accounting Policies

The financial statements have been prepared under the historical cost convention, except for the following:

i) derivative financial instruments measured at fair value;
ii) financial instruments at fair value through profit and loss measured at fair value.
The same accounting policies, presentation and methods of computation have been followed in these interim financial statements as were applied in the preparation of the Company's financial statements for the year ended 31 December 2016.

	31 Mar 2017 Taka'000	31 Dec 2016 Taka'000
5 Property, Plant and Equipment		
COST		
At January 1	17,315,000	16,817,164
Reclassification	-	(12,678)
Additions	33,910	585,103
Disposals	(146)	(38,841)
Translation adjustment	110,473	(35,748)
At March 31/December 31	17,459,237	17,315,000
DEPRECIATION		
At January	5,538,905	4,979,667
Disposals	-	(12,163)
Change for the period	145,408	581,888
Translation adjustment	33,594	(10,487)
At March 31/December 31	5,717,907	5,538,905
CARRYING AMOUNT	11,741,330	11,776,095
6 Intangible Assets		
COST		
At January 1	1,140,128	1,129,622
Reclassification	-	12,678
Additions	-	18,451
Disposals	-	-
Translation adjustment	60,365	(20,623)
At March 31/December 31	1,200,493	1,140,128
AMORTIZATION		
At January	311,898	267,536
Change for the period	13,314	48,601
Translation adjustment	14,124	(4,239)
At March 31/December 31	339,336	311,898
CARRYING AMOUNT	861,157	828,230
7 Inventories		
Raw materials	279,042	209,410
Spare parts	928,156	878,015
Packing materials	3,860	3,148
Other materials	73,689	50,508
Finished goods and work in process	154,988	104,117
	1,439,735	1,245,198
8 Trade Receivables		
Trade receivables	1,419,572	1,373,631
Valuation allowance	(11,140)	(11,954)
	1,408,432	1,361,677
9 Other Receivables		
Contractors, consultants, suppliers and others	385,787	301,943
Employees	50,130	59,207
Prepaid expenses	126,356	80,487
VAT current account	242,981	238,810
Advance income tax- net of tax provision	1,245,129	1,342,800
Other receivables	28,610	25,947
Accrued interest	24,539	20,917
	2,103,532	2,070,119
Current portion	1,958,470	1,933,076
Non-current portion	145,062	137,043
10 Cash and Cash Equivalents		
Cash in hand	692	497
Cash at banks	3,523,850	3,696,931
	3,524,542	3,697,428
11 Deferred Tax Liabilities		
The tax effects of temporary differences that resulted in deferred tax liabilities and assets.		
Deferred tax liabilities		
Property, plant and equipment	2,302,645	2,304,282
	2,683	1,434
	2,305,328	2,305,716
Deferred tax assets		
Provision for gratuity	15,295	25,518
Provision for doubtful debts	11,140	2,988
Other components of equity	109	1,189
	26,544	29,695
Net deferred tax liabilities	2,278,784	2,276,021
12 Provisions		
Site restoration provisions		
Balance at 1 January	30,187	27,787
Provision for the period	750	2,968
Translation adjustment	1,794	(568)
	32,731	30,187

At March 31/December 31
The Company is legally required to restore a quarry site, the estimated costs of site restoration are accrued and recognized to the cost of sales, on the basis of mines closure plan submitted to Indian Bureau of Mines (IBM).

	31 Mar 2017 Taka'000	31 Dec 2016 Taka'000
13 Trade Payables		
Payable for goods & services	1,688,025	1,605,957
General assistance fee (Note- 13.1)	225,348	203,359
Trademark license fee (Note- 13.2)	225,348	203,359
Advances paid by customers	62,097	319,911
	2,200,818	2,332,586

13.1 General assistance fee
The amount is payable to Lafarge S.A. and Cementos Molins for general assistance fee (1 percent of annual net turnover of the company in accordance with the General Assistance Agreement).

13.2 Trademark license fee
The amount is equally payable to Lafarge S.A. and Cementos Molins for trademark license fee (1 percent of annual net turnover of the company in accordance with the Trademark License Agreement).

	31 Mar 2017 Taka'000	31 Dec 2016 Taka'000
14 Other Payables		
Payables to supplier of property, plant & equipment	43,131	65,147
Payable to employees	87,764	170,998
Income tax & VAT deducted at source	82,783	96,675
Dividend payable	37,146	41,669
	250,824	378,489
15 Short Term Debt		
Bank overdraft facilities	38,525	55,800
Short term credit facilities	421,480	468,497
	460,005	524,297
16 Current Tax Liabilities		
Balance at 1 January	1,051,004	304,824
Provision for the period	190,152	747,876
Translation adjustment	14,489	[illegible]
At March 31/December 31	1,255,645	1,051,004

	Jan-Mar 2017	Jan-Mar 2016
17 Revenue		
Sale of gray cement	2,205,966	2,521,298
Sale of cement clinker	229,061	55,624
	2,435,027	2,576,922
18 Cost of Sales		
Manufacturing variable cost	1,006,004	920,468
Manufacturing fixed cost	333,994	329,739
Freight cost to customers	139,581	95,765
Depot operating and transportation costs	212,940	215,171
Inventory movement	(95,682)	(18,234)
Depreciation and amortization	149,964	156,489
	1,746,801	1,699,388
19 General and Administrative Expenses		
Salary, allowances and benefits	55,040	52,534
General assistance fee	21,989	24,387
Trademark license fee	21,989	24,387
Computer expenses	11,352	10,203
Other office expenses	49,997	29,326
Administrative depreciation and amortization	8,758	8,879
Contribution to Workers' Profit Participation and welfare Fund	14,125	26,591
	183,250	176,307
20 Sales and Marketing Expenses		
Salary, allowances and benefits	32,317	18,230
Advertisement	7,483	5,239
Other office expenses	7,633	7,819
	47,433	31,288
21 Finance Costs and Income		
Interest on short term debt	5,525	8,945
Other finance costs	1,363	4,882
Bank charges and commission	3,786	3,736
Exchange loss	-	18,065
Finance costs	10,674	35,628
Interest Income on Bank Deposits	29,157	30,015
Other finance income	3,315	3,567
Exchange gain	7,949	-
Finance income	40,421	33,582
Net finance (income)/costs	(29,747)	2,046
22 Income Tax		
Current income tax expenses	190,152	153,024
Deferred income tax	(11,344)	21,271
	178,808	174,295

23 Earnings Per Share
The computation of basic earnings per share for the periods ended 2017 and 2016 are as follows:

NUMERATOR	(Thousand Taka)		
INCOME FOR THE PERIOD- ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY		309,546	493,863
DENOMINATOR	(Thousands of Shares)		
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING		1,161,374	1,161,374
BASIC EARNINGS PER SHARE	Taka	0.27	1.43
DILUTED EARNINGS PER SHARE	Taka	0.27	1.43

24 Related Party Transactions
Except for the regular transactions, there were no significant related party transactions during the period.

25 Commitments and Contingencies
There were no significant changes in the commitments and contingencies made by the Company during the period.

26 Comparative Information of the Shareholders*

	Jan-Mar 2017 Taka	Jan-Mar 2016 Taka
Net Asset Value (NAV) Per Share	13.60	12.80
Earning Per Share (EPS)	0.27	0.43
Net Operating Cash Flow Per Share (NOCFPS)	(0.05)	0.39
Profit for the period	309,546,000	493,863,000

*For the quarter January to March 2017, EPS declined compared to the previous quarter, the major reason being decline in sales revenue. Sales volumes declined mainly due to excess stock held at channel level and the low demand in our home market arising out of fall in remittances. On the price front, cement prices declined owing to sustained pressure from grinder to push volumes and gain market shares. NOCFPS also declined mainly due to decline in EPS and also the increase in receivables mainly brought about by low collections against the stocks being held at channel level.

Company Secretary | Chief Financial Officer | Director | Chief Executive Officer | Chairman

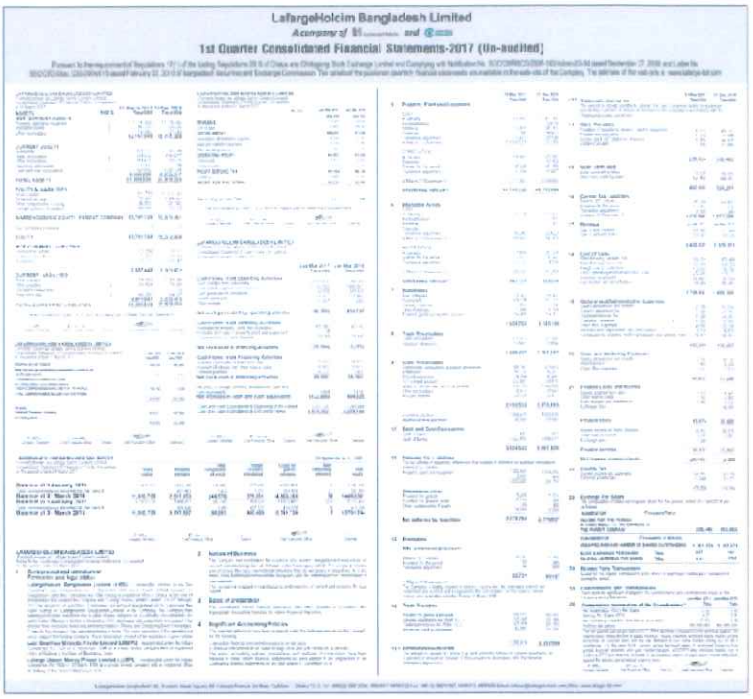
প্রচ্ছদ » LAFARGE SURMA CEMENT LTD

1Q Consolidated Financial Statements of LafargeHolcim Bangladesh Limited

Arthosuchak Archive | 27 April, 2017 5:08 pm

Print

1Q Consolidated Financial Statements of LafargeHolcim Bangladesh Limited


LafargeHolcim Bangladesh Limited

1st Quarter Consolidated Financial Statements-2017 (Un-audited)

অর্থসূচক এসএমএস সার্ভিস
দেশের বাজারের সর্বশেষ সংবাদ সবার আগে পেতে আজই সাবস্ক্রাইব করুন
START ASN 5959

ট্যাগঃ

Like 0 Share 0 টুইট G+1 0 Print

0 Comments Moderation Tool Sort by Oldest

Add a comment...

Facebook Comments Plugin

Artho Suchak
208,984 likes
I liked
অর্থসূচক
www.arthosuchak.com

You are 169 other friends like this

এই বিভাগের আরো

LAFARGE SURMA CEMENT LTD PRICE SENSITIVE INFORMATION MARCH 2017

Announcement Of Extraordinary General Meeting of Lafarge Surma Cement Ltd.

Price Sensitive Information of Lafarge Surma Cement Ltd

LAFARGE SURMA CEMENT LTD Price Sensitive Information

LAFARGE SURMA CEMENT LTD 3RD QUARTER FINANCIAL STATEMENTS

Notice of 18th Annual General Meeting of Lafarge Surma Cement Limited

Q2 Financial Statements 2016 of Lafarge Surma Cement Limited

Dividend Disbursement Notice of Lafarge Surma Cement Ltd.

Site Info
arthosuchak.com
Rank: 30,614
Links in: 552
Powered by Alexa

সম্পাদক: জিয়াউর রহমান
যোগাযোগ: যোগাযোগ: রূপায়ণ তাজ টাওয়ার (৪র্থ তলা), ১, ১/১ নয়া পল্টন,
ফোন: ৯৫৮৫৩৫৬, ৯৫৮৫২২৯, ফ্যাক্স: ৯৫৬৫৪৬৬
ই-মেইল: arthosuchak@gmail.com

বিজ্ঞাপনের জন্য যোগাযোগঃ
ইমেইল: ads@arthosuchak.com
মোবাইল: ০১৮১৯৭৪০৬৭৪
ফোন: ৯৫৮৫৩৫৬, ৯৫৮৫২২৯, ফ্যাক্স: ৯৫৬৫৪৬৬
নিউজের জন্যঃ news.arthosuchak@gmail.com

Site Info
arthosuchak.com
Rank: 30,614
Links in: 552
Powered by Alexa

Artho S...
I liked